

New law provides for the following changes in existing law relative to the portability, availability, and renewability of health insurance coverage:

- (1) Prior law provided for the portability of individual health insurance coverage for certain persons who had prior health insurance coverage without more than a 60-day lapse in such coverage, defined as continuous coverage.

New law extends the allowable lapse period for continuous coverage to 63 days; otherwise retains prior law.

- (2) Existing law allows a 12-month exclusion for preexisting conditions when a person initially purchases health insurance coverage or when a person lacks continuous coverage. However, requires that this 12-month period be reduced by whatever amount of time a person has continuous coverage, excluding any waiting period. Further provides that such new coverage shall include a credit for lifetime benefits paid by the prior insurer against the new coverage.

New law additionally allows longer exclusionary periods for preexisting conditions when a person elects to purchase new coverage not subject to any credit for lifetime benefits paid by the prior insurer and that is not replacing coverage discontinued by the insurer pursuant to existing law. Specifically allows a 12-month exclusion for preexisting conditions for a person with continuous coverage and an 18-month exclusion for preexisting conditions for a person without continuous coverage.

- (3) Existing law provides for assessment of each health insurer subject to existing law for its implementation and enforcement. Limits such assessments to no more than two one-hundredths of one percent of the amount of premiums received in this state by a health insurer during the preceding year ending Dec. 31. Prior law required that such assessments be paid to the commissioner of insurance within 60 days after Dec. 31 of each year.

New law requires that such assessments be made on July 1 of each year and be paid by July 30 of each year. Also requires each insurer to file certain information with the commissioner on March 1 of each year to determine the total premiums received by each insurer in the preceding year and for the commissioner to calculate the basis of the July 1 assessment.

New law authorizes an individual policyholder or subscriber to add a newborn child to his policy or subscriber agreement at any time prior to birth, effective upon discharge from the hospital or neonatal special care unit following birth to his residence. Further makes coverage for such a newborn child subject to adjustment only for the additional coverage provided.

New law reinstates prior law relative to conversion policies for group health and accident insurance, which was inadvertently deleted by Act No. 1154 of the 1997 Regular Session.

Effective upon signature of governor (June 18, 1999).

(Amends R.S. 22:230.2, 250.10(D)(2), and 250.11(B) and (C); Adds R.S. 22:250.11(E))